



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/919,413	07/31/2001	David Lawrence	3499-132	4206

27383 7590 02/13/2004

CLIFFORD CHANCE US LLP  
200 PARK AVENUE  
NEW YORK, NY 10166

EXAMINER

SUBRAMANIAN, NARAYANSWAMY

ART UNIT	PAPER NUMBER
----------	--------------

3624

DATE MAILED: 02/13/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/919,413

Applicant(s)

LAWRENCE ET AL.

Examiner

Narayanswamy Subramanian

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 18 November 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 26-43 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 26-43 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### **DETAILED ACTION**

1. This communication is in response to the request for continued examination filed on November 18, 2003 (Paper Nos. 16 and 17). Cancellation of claims 1-25 and addition of new claims 26-43 made in communication of November 18, 2003 have been entered (Paper No. 17). Claims 26-43 are pending in the application and have been examined. The rejections and response to arguments are stated below.

#### ***Claim Rejections - 35 USC § 112***

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter, which the applicant regards as his invention.

3. Claims 26-43 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claim 26 cite the limitation “associating a portion of the data generally related to at least one of: regulatory risk, reputational risk, legal risk; and risk associated with a cost to defend an adverse position with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction; and generating a report comprising the portion of the data generally related to at least one of regulatory risk, reputational risk, legal risk; and risk associated with a cost to defend an adverse position which is associated with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction” which is vague and unclear to one with ordinary skill in the art. It is not clear if the associating step involves “associating a portion of the data generally related to at least one of: regulatory risk, reputational risk, legal risk, and risk associated with a cost to defend an adverse position; with at least one of: the data descriptive of

Art Unit: 3624

the transaction and the identifier of one or more market participants associated with the transaction” or “associating a portion of the data generally related to at least one of: regulatory risk, reputational risk, legal risk; and risk associated with .... one or more market participants associated with the transaction”. According to the former the last risk is “risk associated with a cost to defend an adverse position” whereas the according to the latter the last risk is “risk associated with a cost to defend an adverse position with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction”. The same confusion is true for the generating the report step also. Claims 27-43 are rejected because they depend on claim 26. Clarification is required. In the rejections made under 35 USC § 103 below the former interpretation is assumed.

***Claim Rejections - 35 USC § 102***

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in-

(1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effect under this subsection of a national application published under section 122(b) only if the international application designating the United States was published under Article 21(2)(a) of such treaty in the English language; or  
(2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that a patent shall not be deemed filed in the United States for the purposes of this subsection based on the filing of an international application filed under the treaty defined in section 351(a).

5. Claims 26-30, 33, and 38-43 are rejected under 35 U.S.C. 102(e) as being anticipated by Basch et al (US Patent 6,119,103).

Art Unit: 3624

With reference to claim 26 Basch teaches a computer-implemented method for managing risk related to an online transaction, the method comprising: receiving into a computer system data descriptive of the transaction comprising amount of money involved in the transaction (See Basch Column 3 lines 51-56); receiving into the computer system an identifier of one or more market participants associated with the transaction (See Basch Column 3 line 65 – Column 4 line 8); receiving into the computer system data generally related to legal risk (See Basch Column 7 lines 38-65); associating a portion of the data generally related to legal risk with at least one of the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction (See Basch Column 7 lines 38-65); and generating a report comprising the portion of the data generally related to legal risk which is associated with at least one of the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction (See Basch Column 8 lines 7-12). Account holders are one of participants associated with the transaction; and divorce filings, tax liens, judgments, and the like are legal risks.

With reference to claims 27-29 Basch teaches method of claim 26 wherein the data descriptive of the online transaction is received from one or more of an online retailer or an online wholesaler (See Basch Column 5 lines 11-16, merchants include both retailers and wholesalers); a merchant bank and a commercial bank (See Basch Column 5 lines 11-16, account issuers include both merchant banks and commercial banks); and public data records (See Basch Column 7 lines 53-55, public records include a government entity also).

With reference to claim 30 Basch teaches method of claim 26 additionally comprising the step of generating a risk score based upon the portion of the data generally related to legal risk

Art Unit: 3624

which is associated with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction (See Basch Column 7 lines 34-65 and Column 9 lines 22-32). Risk scores include risk quotients and divorce filings, tax liens, judgments, and the like are legal risks.

With reference to Claims 33 and 38, Basch teaches a method of claim 30, wherein the risk quotient indicates a financial risk (See Basch Column 9 lines 22-32); and additionally comprising the steps of generating a suggested action based upon the risk quotient (See Basch claim 1) Financial risk is interpreted to include an amount of risk associated with monetary costs related to at least one of fines, forfeitures and costs to defend an adverse position and the step of transmitting the score to an account issuer based on the score is interpreted to include the step of generating a suggested action responsive to the risk quotient.

With reference to claims 39-43 Basch teaches method of claim 38, wherein the report additionally comprises a description of the suggested action (See Basch Column 13 lines 21-63); and the suggested action comprises limiting the scope of the online transaction (See Basch Column 16 lines 26-32 and 51-57, designing filters tailored according to a geographic location and for a particular type of transaction is interpreted to include the step of limiting the scope of the online transaction) or notifying an authority (See Basch Column 9 line 62 – Column 10 line 3, the authorized private or public data services are interpreted to include an authority) or discontinuing the online transaction (See Basch claim 6, denying authorization request is interpreted to include the step of discontinuing the online transaction; and presenting the reports/alerts to data consumers (See Basch Column 13 lines 21-63, presenting the reports/alerts

Art Unit: 3624

to data consumers is interpreted to include the step of presenting the report to at least one of: a regulatory body, shareholders and news media).

*Claim Rejections - 35 USC § 103*

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 31, 32, 34-37 are rejected under 35 U.S.C. 103(a) as being unpatentable over Basch et al (US Patent 6,119,103) in view of Spitz et al (US Patent 2002/0139837 A1).

With reference to claims 31 and 32, Basch teaches method of claim 30 as discussed above.

Basch does not explicitly teach risk scores indicative of an amount of regulatory risk or legal risk.

Spitz teaches risk scores indicative of an amount of regulatory risk or legal risk (See Spitz Paragraphs 14, 30 and 58) Risk of fraud is a legal risk and restrictions applicable by law or by the issuing associations are examples of regulatory risks.

It would have been obvious to one with ordinary skill in the art at the time of invention to include these steps to the invention of Basch. The combination of the disclosures taken as a whole suggests that it would have helped the parties concerned to take appropriate actions once they are informed about the amount of regulatory risk or legal risk in a transaction.

With reference to claims 34-37, Basch teaches method of claim 26 as discussed above.

Art Unit: 3624

Basch does not explicitly teach the steps wherein the data generally related to legal risk comprises world events; one government advisory; obligations to know your customer according to government regulations; and a list generated by at least one of the Office of Foreign Assets Control, the U.S. Commerce Department, and the U.S. White House.

Spitz teaches the steps wherein the data generally related to risk factors are retrieved from internal and external databases to quantify legal risk (See Spitz Paragraph 53). Risk of fraud is legal risk and the data retrieved from internal and external databases are interpreted to include world events, one government advisory, obligations to know your customer according to government regulations and a list generated by at least one of the Office of Foreign Assets Control, the U.S. Commerce Department, and the U.S. White House.

It would have been obvious to one with ordinary skill in the art at the time of invention to include these steps to the invention of Basch. The combination of the disclosures taken as a whole suggests that it would have helped the parties to the transaction be confident that all relevant factors are considered before proceeding with the transaction.

### ***Response to Arguments***

8. Applicant's arguments with respect to claims 1-22 have been considered but are moot in view of the new ground(s) of rejection.

### ***Conclusion***

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dr. Narayanswamy Subramanian whose telephone number is (703) 305-4878. The examiner can normally be reached Monday-Thursday from 8:30 AM to 7:00 PM.



Art Unit: 3624

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached at (703) 308-1065. The fax number for Formal or Official faxes and Draft or Informal faxes to The Patent Office is (703) 872-9306.

Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113.

N. Subramanian  
February 7, 2004

Richard Weisberger  
Primary Examiner